



Council of the
European Union

Brussels, 28 October 2014
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PROPOSAL

From: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 28 October 2014

To: Mr Uwe CORSEPIUS, Secretary-General of the Council of the European
Union

No. Cion doc.: COM(2014) 672 final

Subject: Proposal for a Decision of the European Parliament and of the Council on
the mobilisation of the European Globalisation Adjustment Fund, in
accordance with Point 13 of the Interinstitutional Agreement of 2 December
2013 between the European Parliament, the Council and the Commission
on budgetary discipline, on cooperation in budgetary matters and on sound
financial management (application EGF/2014/010 IT/Whirlpool)

Delegations will find attached document COM(2014) 672 final.

Encl.: COM(2014) 672 final



Brussels, 28.10.2014
COM(2014) 672 final

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on the mobilisation of the European Globalisation Adjustment Fund, in accordance with Point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management
(application EGF/2014/010 IT/Whirlpool)**

EXPLANATORY MEMORANDUM

CONTEXT OF THE PROPOSAL

1. The rules applicable to financial contributions from the European Globalisation Adjustment Fund (EGF) are laid down in Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006¹ (the 'EGF Regulation').
2. The Italian authorities submitted application EGF/2014/010 IT/Whirlpool for a financial contribution from the EGF, following redundancies in Whirlpool Europe S.r.l. and five suppliers and downstream producers in Italy.
3. Following its assessment of this application, the Commission has concluded, in accordance with all applicable provisions of the EGF Regulation, that the conditions for awarding a financial contribution from the EGF are met.

SUMMARY OF THE APPLICATION

EGF application:	EGF/2014/010 IT/Whirlpool
Member State:	Italy
Region(s) concerned (NUTS level 2):	Provincia Autonoma di Trento (ITH2)
Date of submission of the application:	18.6.2014
Date of acknowledgement of receipt of the application:	1.7.2014
Date of request for additional information:	2.7.2014
Deadline of provision of the additional information:	13.8.2014
Deadline for the completion of the assessment:	5.11.2014
Intervention criterion:	Article 4(1)(a) of the EGF Regulation
Primary enterprise:	Whirlpool Europe S.r.l.
Sector(s) of economic activity (NACE Rev. 2 division) ² :	Division 27 ('Manufacture of electrical equipment')
Number of subsidiaries, suppliers and downstream producers:	5
Reference period (four months):	10 December 2013 – 31 March 2014 ³
Number of redundancies or cessations of activity during the reference period (a):	608

¹ OJ L 347, 20.12.2013, p. 855.

² Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

³ The Italian authorities voluntarily shortened the 4-months reference period provided for in Regulation (EU) No 1309/2013

Number of redundancies or cessations of activity before or after the reference period (b):	0
Total number of redundancies (a + b):	608
Total estimated number of targeted beneficiaries:	608
Budget for personalised services (EUR)	3 024 000
Budget for implementing EGF ⁴ (EUR)	126 000
Total budget (EUR)	3 150 000
EGF contribution (60 %) (EUR)	1 890 000

ASSESSMENT OF THE APPLICATION

Procedure

4. The Italian authorities submitted application EGF/2014/010 IT/Whirlpool within 12 weeks of the date on which the intervention criteria set out in Art. 4 of the EGF Regulation were met, on 18 June 2014. The Commission acknowledged receipt of the application within two weeks of the date of submission of the application, on 1 July 2014. The Commission requested additional information from the Italian authorities on 2 July 2014. Such additional information was provided within six weeks of the date of the request. The deadline of 12 weeks of the receipt of the complete application within which the Commission should finalise its assessment of the application's compliance with the conditions for providing a financial contribution expires on 5 November 2014.

Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 608 workers made redundant in Whirlpool Europe S.r.l. ('the primary enterprise') and five providers and downstream producers. The primary enterprise operated in the economic sector classified under NACE Rev. 2 division 27 ('Manufacture of electrical equipment'). The redundancies made by the enterprises concerned are located in the NUTS⁵ level 2 region of Provincia Autonoma di Trento (ITH2).

Enterprises and number of dismissals			
Whirlpool Europe S.r.l.	502	Euroristorazione S.r.l.	6
Ge@ Trentina Servizi s.c.	52	Girardini srl	40
Tecnoplast group S.r.l.	7	O.M.R. snc di Giacomini & Co	1
Total no. of enterprises: 6		Total no. of Dismissals:	608

Intervention criteria

6. The Italian authorities submitted the application under the intervention criterion of Article 4(1)(a) of the EGF Regulation, which requires at least 500 workers being made redundant or self-employed persons' activity ceasing, over a reference period

⁴ In accordance with the fourth paragraph of Article 7 of Regulation (EU) No 1309/2013.

⁵ Commission Regulation (EU) No 1046/2012 of 8 November 2012 implementing Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS) as regards the transmission of the time series for the new regional breakdown (OJ L 310, 9.11.2012, p. 34).

of four months in an enterprise in a Member State, including workers made redundant in its suppliers and downstream producers.

7. The Italian authorities voluntarily shortened the reference period of four months provided for in Regulation (EU) No 1309/2013. The reference period is from 10 December 2013 to 31 March 2014.
8. The application relates to:
 - 502 workers made redundant⁶ in the primary enterprise during the reference period of four months and
 - 106 workers made redundant in the five suppliers and downstream producers of the primary enterprise during the reference period of four months,

Calculation of redundancies and of cessation of activity

9. The redundancies have been calculated as follows:
 - 454 from the date on which the employer, in accordance with Article 3(1) of Council Directive 98/59/EC⁷, notified the competent public authority in writing of the projected collective redundancies. The Italian authorities confirmed prior to the date of the completion of the assessment by the Commission that these 454 redundancies have actually been effected;
 - 18 from the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker;
 - 136 from the date of the de facto termination of the contract of employment or its expiry;

Eligible beneficiaries

10. The total number of eligible beneficiaries is 608.

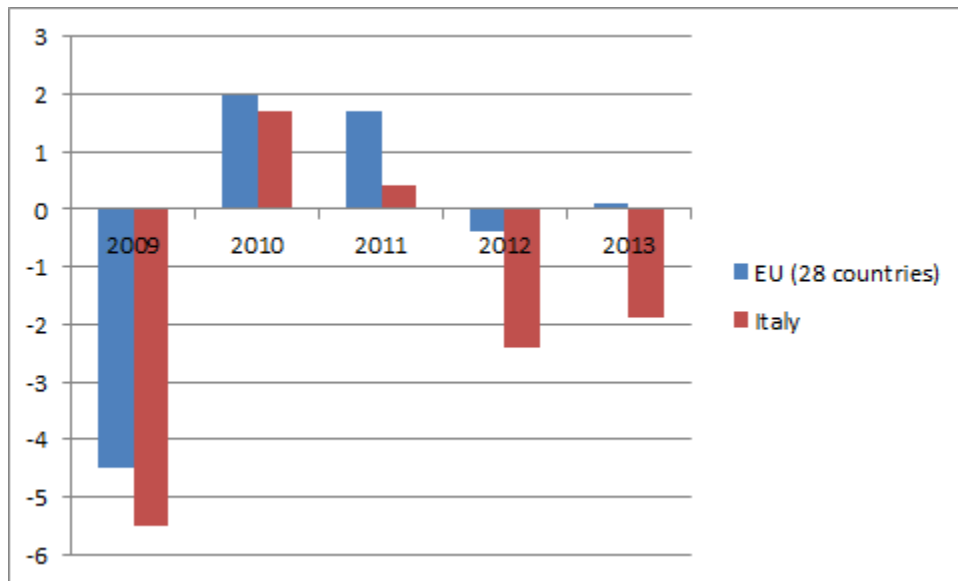
Link between the redundancies and economic crisis addressed in Regulation (EC) No 546/2009

11. In order to establish the link between the redundancies and the global financial and economic crisis addressed in Regulation (EC) No 546/2009, Italy argues that in 2009, as a consequence of the global financial and economic crisis, there was a significant downturn in the economy at EU-28 level, as well as in the Italian economy. In 2009 the real GDP growth rate (percentage change on previous year) was – 4,5 % at EU-28 level and – 5,5 % in Italy. In 2010 and 2011 the EU-28 economy recovered and the GDP growth rates were 2,0 % and 1,6 % respectively while in 2012 the EU-28 GDP growth was again negative (– 0,4 %) and slightly positive (0,1 %) in 2013. The Italian GDP growth rate was positive in 2010 (1,7 %) and 2011 (0,4 %) and negative since then (–2,4 % in 2012 and –1,9 % in 2013).

⁶ Within the meaning of Article 3(a) of the EGF Regulation.

⁷ Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies (OJ L 225, 12.8.1998, p. 16).

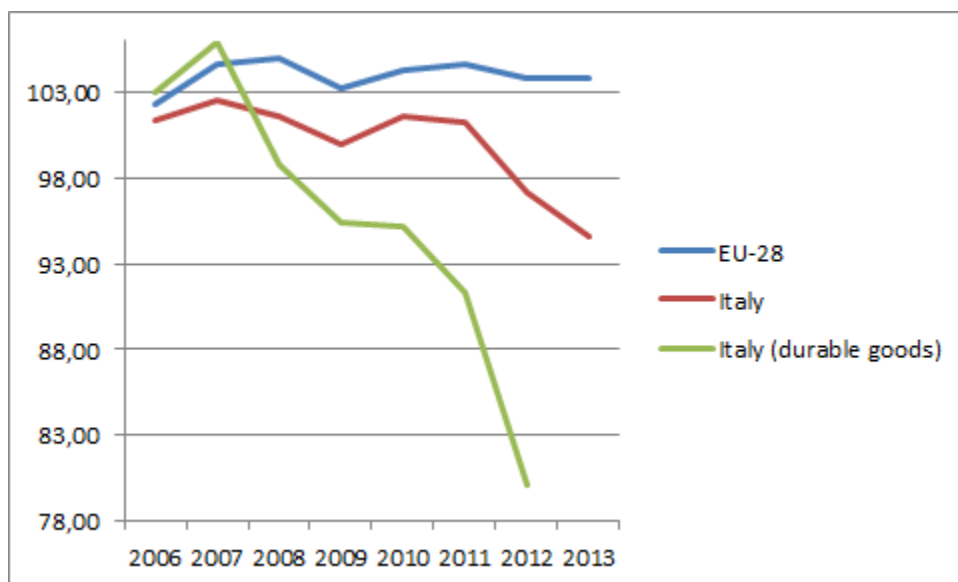
**Real GDP growth rate
(percentage change on previous year)**



Source: Eurostat

12. During the period 2009-2013 household consumption in Italy fell for four out of the five years compared with the same period of the respective previous year. Household consumption at EU-28 level also declined but to a lesser extent.

**Household consumption
(2005 = 100)**



Source: Eurostat

13. This situation of recession has had a profound effect on the consumption choices of Italian households which had reconsidered their buying decisions, in particular those related to buying durable goods. Domestic appliances belongs to this group of goods.

14. Available data⁸ confirms the significant downturn in production of NACE Rev.2 division 27 which includes the manufacture of domestic appliances. The production of these commodities has been falling in the EU-28 for six consecutive years (2008-2013). The main drop in production happened in the period 2008-2009. In Italy the production of these commodities followed the same negative trend as in the EU-28, but with a sharper decline.

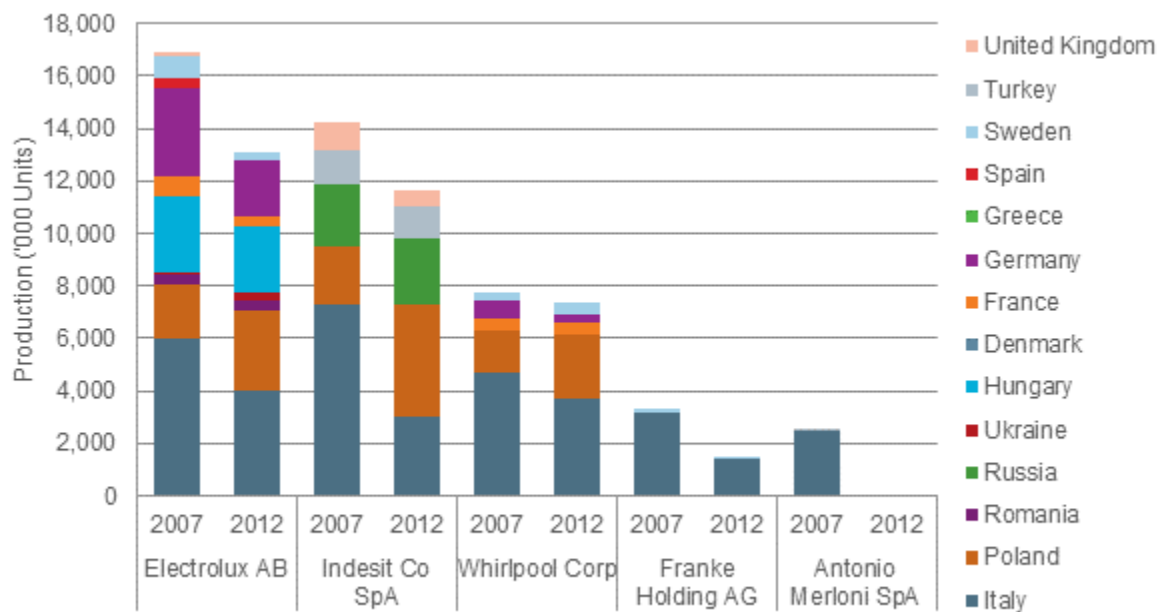
**Production in industry (NACE Rev.2 division 27)
Percentage change over previous year**

	2008	2009	2010	2011	2012	2013
EU-28	-9,2	-18,0	-0,3	-3,3	-3,8	-2,0
Italy	-13,8	-24,2	-6,3	-8,3	-8,6	-7,0

Source: Eurostat

15. According to data referred to by the Italian authorities⁹, as shown in the figure below, all five largest domestic appliance manufacturers in Italy (Electrolux, Indesit, Whirlpool Europe, Franke and Antonio Merloni), have suffered a sharp decline in production over the period 2008-2012 due to the economic and financial crisis.

Production of appliances of the five largest producers in Italy (2007-2012)



Source: Euromonitor International

⁸ Eurostat, Production in industry (NACE Rev.2 Division 27). Annual data, percentage change. http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database

⁹ Euromonitor International, <http://www.euromonitor.com/>

16. To date, the manufacture of electrical equipment sector has been the subject of three EGF applications¹⁰, all of them based on the global financial and economic crisis. The arguments presented in previous EGF applications related to this sector remain valid.

Events giving rise to the redundancies and cessation of activity

17. The group Whirlpool Europe has in Italy four production plants: Napoli (washing machines), Siena (freezers,) Spini di Gardolo - Trento (fridges) and Cassinetta Biandronno - Varese (fridges, hobs and ovens). In Varese there is also the headquarters for the region Europe, Middle East and Africa (EMEA).
18. Due to the economic and financial crisis resulting in significant decline of household consumption, the Italian market for big household appliances has dropped from 3 174 billion in 2010 to 2 649 billion in 2013, this representing a decline by 16,5 %.
19. In recent years, Whirlpool made investments in the Spini di Gardolo site. However the investment did not pay off due to the decline in demand for big household appliances and the subsequent decrease in production (-170 000 units during the period 2008-2012 and further -40 000 units in 2013, representing a decrease in production by 35 % in 2013 compared to 2008).
20. The group Whirlpool Europe, which in the first half of 2013 accumulated loss for a value of US 14 million in Europe, developed a business plan in order to adapt its production structure to the market's demand. This plan foresaw the closure of the plants in Norrkoeping (Sweden) and Spini di Gardolo (Italy). On 28 June 2013, Whirlpool Europe informed the relevant stakeholders of its plans for the closure of the Italian site and its subsequent redundancies and on 20 January 2014 the enterprise notified the competent public authority in writing of the projected collective redundancies.

Expected impact of the redundancies as regards the local, regional or national economy and employment

21. The most dynamic component of the Provincia di Trento's economy is the service sector, where employment has long been in continuous expansion. In 2013, 51 % of workers in the province were employed in service activities. In terms of value added, the service sector is predominant (72,2 %), followed at a considerable distance by industry (25,0 %) and agriculture (2,8 %).
22. About 18 % of the working population is employed in industry. The industrial enterprises in the province, mostly of which are small and medium-sized, are located in the Adige's valley, in Vallagarina and Valsugana. They operate in the textile, wood, paper and mechanics sectors. However, the only industrial district, formally defined as such, is the district of porphyry and stones (NACE Rev. 2 division 23, 'manufacture of other non-metallic mineral products'), which has about 452

¹⁰ EGF/2009/010 LT AB Snaige COM(2010) 008, EGF/2011/023 IT Antonio Merloni COM(2013) 90 and EGF/2014/010 IT Whirlpool, the current case.

enterprises producing produce more than 1 400 000 tons of mineral annually (data as of 2012)¹¹.

23. Although the Province of Trento is one of the territories most dynamic and competitive in the EU, the industry in this territory has been strongly affected by the prolonged downturn which still continues. Available data¹² on the variation of the turnover of the manufacturing show that the value of production declined in 2012-2013 (-0.3%).
24. The local labour market has been affected by the economic downturn with a significant number of redundancies in the main sectors of activity. According to Banca d'Italia¹³, in 2013 the employment rate decreased in the province of Trento by 0,6 percentage points to 65,5 %, which is slightly lower than the average of the Northeast Italy (66,2 %). The drop in employment has affected both the construction sector (-10.3 %) and industry (-2.4 %).
25. According to data from ALPAT¹⁴ (Labour Agency of the Autonomous Province of Trento), recruitments decreased by 1,6 % in 2011 and by 2% in 2012 compared with the previous year. The recruitment of younger workers (up to 29 years) decreased by 5,8 % in 2011 and by 6,7 % in 2012 compared with the previous year.
26. The unemployment rate has doubled since the beginning of the crisis, raising from 2,9 % in 2007 to 6,1 % in 2013. Redundancies at Whirlpool Europe S.r.l. — one of the top employers in the territory until its closure — and its suppliers and downstream producers will have a significant adverse impact on the regional economy and will further aggravate the employment situation of Provincia di Trento.

Targeted beneficiaries and proposed actions

Targeted beneficiaries

27. The estimated number of targeted workers expected to participate in the measures is 608. The breakdown of these workers by sex, citizenship and age group is as follows:

Category		Number of targeted beneficiaries	
Sex:	Men:	422	(69,41 %)
	Women:	186	(30,59 %)
Citizenship:	EU citizens:	506	(83,22 %)
	non-EU citizens:	102	(16,78 %)
Age group:	15-24 years:	32	(5,26 %)

¹¹ Filiera del Porfido di Qualità, <http://www.trentinosviluppo.it/Contenuti-istituzionali/Press-room/Comunicati-stampa/Porfido-278-aziende-scommettono-sulla-filiera-di-qualita>

¹² Banca d'Italia (2013), L'economia delle Province autonome di Trento e di Bolzano, Economie Regionali, numero5; Banca d'Italia (2013), L'economia delle Province autonome di Trento e di Bolzano. Aggiornamento congiunturale, Economie Regionali, numero27.

¹³ Banca d'Italia (2013), L'economia delle Province autonome di Trento e di Bolzano, Economie Regionali, numero5; Banca d'Italia (2013), L'economia delle Province autonome di Trento e di Bolzano. Aggiornamento congiunturale, Economie Regionali, numero27.

¹⁴ ALPAT, Osservatorio del mercato del lavoro, <http://www.agenzialavoro.tn.it/agenzia/osservatorio>

25-29 years:	52	(8,55 %)
30-54 years:	462	(75,99 %)
55-64 years:	62	(10,20 %)
over 64 years:	0	(0,00 %)

Eligibility of the proposed actions

28. The personalised services to be provided to redundant workers consist of the following actions:

- Information sessions, intake and registration: The first measure provided to all participants includes information on available services and training programmes and on skills and training requirements. It is also the opportunity for the workers willing to participate in the measures to formalize an agreement of participation and interest.
- Counselling and guidance. The counsellor intervenes immediately after the enrolling process and is a key figure in the process toward reintegration into job. Only the counsellor has the full picture of the development of the worker assigned to him/her. The counsellor shares with the worker a "pact of action" which is revised or complemented if needed. The counsellors will provide vocational guidance to the dismissed workers who can access the counselling services at any time upon request (i.e. when having difficulties making choices, when feeling their motivation decreasing or simply when in need for support).
- Skills assessment. This is intended to help workers to identify their own skills and the opportunities related to their own interests and to establish a realistic career plan. The measure, which involves intensive and personalized counselling, is structured as a pathway consisting of various stages in which the worker and the counsellor work out on an issue (e.g. opportunities, interests, analysis of the motivations and expectations, etc). Following these assessments, a summary paper is put together, setting out the worker's skills, his/her individual project and an action plan.
- General training and re-training. This measure aims to train workers in four competences defined as key competences in the Recommendation of the European Parliament and of the Council of 18 December 2006 on Key Competences for Lifelong Learning¹⁵: 1) Communication in the mother tongue; 2) Communication in foreign languages; 3) Mathematical competence and basic competences in science and technology; and 4) Digital competence. These courses combine classroom attendance and distance learning to avoid the syndrome of 'return to school desk'.
- Vocational training. The vocational training will focus on sectors where opportunities exist or will arise such as tourism; food and beverage; environment and waste recycling; etc. or jobs which require vocational licensing. such as driving licences for trucks, buses and lorries; assembly, disassembly and processing of scaffolding; heating systems; etc.

¹⁵ OJ L394/10, 30.12.2006

- Coaching. This aims to train workers in the four key competences for lifelong learning not included in the general training and retraining measure: 1) Learning to learn; 2) Social and civic competences; 3) Sense of initiative and entrepreneurship; and 4) Cultural awareness and expression. This training is structured in two individual sessions and three group sessions (team coaching).
 - Accompaniment after reintegration into work and accompaniment towards entrepreneurship. To smooth the transition mentors will continue guiding the workers after their reintegration into employment. The accompaniment towards self employment and business creation will consist of personalized tutoring during the whole process of starting the business (feasibility analysis, and assistance for preparing a business plan, support regarding administrative requirements, etc.).
 - Jobsearch allowance. For each day they participate in the EGF measures, the workers will receive an allowance equivalent to one day of the Italian subsistence allowance 'CIGS'¹⁶.
 - Participation allowance and contribution to commuting expenses. To cover the expenses incurred when participating in the measures the beneficiaries will receive EUR 20 per day of participation.
 - Hiring benefit. This payment benefits the redundant workers by facilitating their re-employment under fix-term or permanent contracts in a different company. For re-employment under permanent contracts the hiring company will receive EUR 3 000 per worker while for re-employment under fixed-term contracts of at least 12 months, the hiring company will receive EUR 2 000 per worker.
29. The proposed actions, here described, constitute active labour market measures within the eligible actions set out in Article 7 of the EGF Regulation. These actions do not substitute passive social protection measures.
30. The Italian authorities have provided the required information on actions that are mandatory for the enterprises concerned by virtue of national law or pursuant to collective agreements. They have confirmed that a financial contribution from the EGF will not replace any such actions.

Estimated budget

31. The estimated total costs are EUR 3 150 000, comprising expenditure for personalised services of EUR 3 024 000 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 126 000.
32. The total financial contribution requested from the EGF is EUR 1 890 000 (60 % of total costs).

¹⁶ CIGS is a scheme under Italian law, consisting of a financial benefit paid by Istituto Nazionale della Previdenza Sociale-INPS (National Institute of the Social Security) in favour of workers suspended from undertaking the work performance or working reduced hours.

Actions	Estimated number of participants	Estimated cost per participant (EUR) (*)	Estimated total costs (EUR) (**)
Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation)			
Information sessions, intake and registration (<i>Informazione e sensibilizzazione, presa in carico e patto di accompagnamento</i>)	608	6	3 500
Counselling and guidance (<i>Counselling e patto di azione</i>)	500	379	189 500
Skills assessment (<i>Bilancio delle competenze</i>)	200	670	134 000
General training and re-training (<i>Formazione alle competenze generali o trasversali</i>)	500	2 000	1 000 000
Vocational training (<i>Formazione specialistica / per patenti di mestieri</i>)	200	3 200	640 000
Coaching	80	1 331	106 500
Accompaniment after reintegration into work and accompaniment towards entrepreneurship (<i>Accompagnamento all'inserimento professionale</i>).	250	402	100 500
Sub-total (a):		–	2 174 000; (71,89 %)
Allowances and incentives (Actions under Article 7(1)(b) of the EGF Regulation)			
Jobsearch allowance (<i>Indennità di CIGS</i>)	200	300	60 000
Participation allowance and contribution to commuting expenses (<i>Indennità di partecipazione o di frequenza</i>)	400	100	40 000
Hiring benefit (<i>Incentivi all'assunzione</i>)	250	3 000	750 000
Sub-total(b):		–	850 000; (28,11 %)
Actions under Article 7(4) of the EGF Regulation			
1. Preparatory activities		–	14 687
2. Management		–	61 840
3. Information and publicity		–	12 368

4. Control and reporting	–	37 105
Sub-total (c):	–	126 000; (4,00 %)
Total costs (a + b + c):	–	3 150 000
EGF contribution (60 % of total costs)	–	1 890 000

(*) *To avoid decimals, the estimated costs per worker have been rounded. However the rounding has no impact on the total cost of each measure which remains as in the application submitted by Italy.*

(**) *Totals do not tally due to roundings.*

33. The costs of the actions identified in the table above as actions under Article 7(1)(b) of the EGF Regulation do not exceed 35 % of the total costs for the coordinated package of personalised services. The Italian authorities confirmed that these actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities.

Period of eligibility of expenditure

34. The Italian authorities started providing the personalised services to the targeted beneficiaries on 4 February 2014. The expenditure on the actions referred to in point 28 shall therefore be eligible for a financial contribution from the EGF from 4 February 2014 to 18 June 2016.
35. The Italian authorities started incurring the administrative expenditure to implement the EGF on 4 February 2014. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 4 February 2014 to 18 December 2016.

Complementarity with actions funded by national or Union funds

36. The sources of national pre-financing or co-funding are as follow: Whirlpool Europe S.r.l. (primary enterprise) for an amount of EUR 1 200 000 in support of its former workers, and public funding from the INPS¹⁷ for an amount of EUR 60 000.
37. The Italian authorities have confirmed that the measures described above receiving a financial contribution from the EGF will not also receive financial contribution from other Union financial instruments.

Procedures for consulting the targeted beneficiaries or their representatives or the social partners as well as local and regional authorities

38. The Italian authorities have indicated that the co-ordinated package of personalised services has been drawn up in consultation with the workers and the social partners.
39. The planned measures, their content, the relevant aspects of their implementation (including the timing) were presented and discussed with the Whirlpool former

¹⁷ Istituto Nazionale della Previdenza Sociale.

workers of the Spini di Gardolo site during the meetings (15 in total) held during the period of February-March 2014. Of the total workers participating at these meetings, 393 have already enrolled as participants in the measures.

40. The social partners have been involved from the beginning in the management of corporate crisis of Whirlpool Europe Srl, concerning the site of Spini di Gardolo. They were a key element in the design of the coordinated package of personalized services proposed for EGF funding. On 1 April 2014 an agreement formalising their participation was signed by the representatives of the trade unions *Rappresentanza Sindacale Aziendale di Confederazione Generale Italiana del Lavoro* (RSA di CGIL), *Confederazione Italiana Sindacati dei Lavoratori* (CISL), *Unione Italiana del Lavoro* (UIL), *Federazione Impiegati Operai Metallurgici* (FIOM), *Federazione Italiana Metalmeccanici* (FIM) and *Unione Italiana Lavoratori Metalmeccanici del Trentino*. Furthermore, the package of services has also been agreed by the Economic and Social stakeholders represented in the Board of Directors of ALPAT (this is the trade union confederations CGIL, CISL and UIL of Trentino, *the Associazione degli industriali del Trentino, Associazione degli Artigiani e delle Piccole Imprese del Trentino* and *Unione Commercio e Turismo del Trentino*)¹⁸. The Economic and Social stakeholders will also be involved in the monitoring of the implementation and the possible redesign of the measures, as well as being associated in the evaluation of the results.

Management and control systems

41. The application contains a description of the management and control system which specifies the responsibilities of the bodies involved. Italy has notified the Commission that the financial contribution will be managed by the Ministero del lavoro e delle politiche sociali - Direzione Generale per le Politiche Attive e Passive del Lavoro (MLPS — DG PALP) as follows: MLPS — DG PALP — Ufficio A (former DG POF - Div. VII) will act as managing authority, MLPS — DG PALP — Ufficio B (former DG POF - Div. VI) as certification authority and MLPS — DG PALP — Ufficio C (former DG POF - Div. II) as audit authority. ALPAT will be the intermediate body for the managing authority.

Commitments provided by the Member State concerned

42. The Italian authorities have provided all necessary assurances regarding the following:
- the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation;
 - the requirements laid down in national and EU legislation concerning collective redundancies have been complied with;
 - where the dismissing enterprises have continued their activities after the lay-offs, they have complied with their legal obligations governing the redundancies and have provided for their workers accordingly;

¹⁸ Association of Industrialists of Trentino, the Association of Artisans and Small-sized Enterprises of Trentino and Commerce and Tourism of the Trentino.

- the proposed actions will provide support for individual workers and will not be used for restructuring companies or sectors;
- the proposed actions will not receive financial support from other Union funds or financial instruments and any double financing will be prevented;
- the proposed actions will be complementary with actions funded by the Structural Funds;
- the financial contribution from the EGF will comply with the procedural and material Union rules on State aid.

BUDGETARY IMPLICATION

Budgetary proposal

43. Article 12 of Council Regulation (EU, Euratom) No 1311/2013 laying down the Multiannual Financial Framework for the years 2014-2020¹⁹ allows for the mobilisation of the European Globalisation Adjustment Fund (EGF) within the annual ceiling of EUR 150 million (2011 prices) over and above the relevant headings of the financial framework.
44. Having examined the application in respect of the conditions set out in Article 13(1) of the EGF Regulation, and having taken into account the number of targeted beneficiaries, the proposed actions and the estimated costs, and considering the maximum possible amount of a financial contribution from the EGF and the scope for reallocating appropriations, the Commission proposes to mobilise the EGF for the amount of EUR 1 890 000, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.
45. The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council, as laid down in point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management²⁰.
46. The Commission presents separately a transfer request in order to enter in the 2014 budget specific commitment appropriations, as required under point 13 of the Interinstitutional Agreement of 2 December 2013.

Source of payment appropriations

47. Appropriations allocated to the EGF budget line in the 2014 budget will be used to cover the amount of EUR 1 890 000.

Related acts

48. At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present to the European Parliament and to the Council a proposal for a transfer to the relevant budgetary line for the amount of EUR 1 890 000.

¹⁹ OJ L 347, 20.12.2013, p. 884.

²⁰ OJ C 373, 20.12.2013, p. 1.

49. At the same time as it adopts this proposal for a decision to mobilise the EGF, the Commission will adopt a decision on a financial contribution, by means of an implementing act, which will enter into force on the date at which the European Parliament and the Council adopt the proposed decision to mobilise the EGF.

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on the mobilisation of the European Globalisation Adjustment Fund, in accordance with Point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management
(application EGF/2014/010 IT/Whirlpool)**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006²¹, and in particular Article 15(4) thereof,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management²², and in particular point 13 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) was established to provide support for workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis addressed in Regulation (EC) No 546/2009²³, or as a result of a new global financial and economic crisis and to assist them with their reintegration into the labour market.
- (2) The EGF shall not exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013.
- (3) Italy submitted an application to mobilise the EGF, in respect of redundancies²⁴ in Whirlpool Europe S.r.l. and five suppliers and downstream producers in Italy, on 18 June 2014 and supplemented it by additional information as provided by Article 8.3 of Regulation (EU) No 1309/2013. This application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013.

²¹ OJ L 347, 20.12.2013, p. 855.

²² OJ C 373, 20.12.2013, p. 1.

²³ OJ L 167, 29.6.2009, p.26.

²⁴ Within the meaning of Article 3(a) of the EGF Regulation.

- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of an amount of EUR 1 890 000 for the application submitted by Italy,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2014, the EGF shall be mobilised to provide the sum of EUR 1 890 000 in commitment and payment appropriations.

Article 2

This decision shall be published in the *Official Journal of the European Union*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President